



**Year and Fourth Quarter Financial Statements Announcement**

**PART I - INFORMATION REQUIRED FOR ANNOUNCEMENTS OF QUARTERLY (Q1, Q2 & Q3), HALF-YEAR AND FULL YEAR RESULTS**

**1(a) An income statement and statement of comprehensive income, or a statement of comprehensive income, for the group, for the year and fourth quarter ended 31 December 2012 together with comparative statements for the corresponding period of the immediately preceding financial year**

These figures have not been audited.

**CONSOLIDATED INCOME STATEMENT**

	Note	Group			Group		
		S\$000		% Increase / (Decrease)	S\$000		% Increase / (Decrease)
		Year ended			Three months ended		
		31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011		
Revenue	1	309,258	363,718	(15)	83,496	80,688	3
Cost of sales		(287,198)	(325,295)	(12)	(78,626)	(70,478)	12
Gross profit	1	22,060	38,423	(43)	4,870	10,210	(52)
Other operating income	2	1,179	874	35	128	98	31
Distribution costs	3	(5,609)	(5,802)	(3)	(1,250)	(1,534)	(19)
Administrative expenses	4	(18,964)	(20,428)	(7)	(4,633)	(5,748)	(19)
Other operating expenses	5	(475)	(466)	2	(128)	(140)	(9)
(Loss) profit from operations		(1,809)	12,601	NM	(1,013)	2,886	NM
Gain on disposal of available-for-sale investments	12	14,978	-	NM	-	-	NM
Gain on disposal of subsidiaries		99	-	NM	-	-	NM
Valuation gain on investment properties	6	5,424	474	NM	5,617	474	NM
Finance income	7	1,230	876	40	307	438	(30)
Finance costs	8	(3,743)	(1,260)	197	(1,308)	(368)	255
Foreign exchange gain (loss)	9	1,027	(604)	NM	888	(51)	NM
<b>Profit before income tax</b>		17,206	12,087	42	4,491	3,379	33
Income tax (expense) credit	10	(444)	(2,169)	(80)	38	(963)	NM
<b>Profit for the year / quarter</b>		16,762	9,918	69	4,529	2,416	87
<u>Attributable to:</u>							
Equity holders of the Company		16,184	8,271	96	3,892	1,880	107
Non-controlling interests		578	1,647	(65)	637	536	19
		16,762	9,918	69	4,529	2,416	87

NM – Not meaningful

**CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME**

	Note	S\$'000		%	S\$'000		%
		Year ended			Three months ended		
		31 Dec 2012	31 Dec 2011		31 Dec 2012	31 Dec 2011	
<b>Profit for the year / quarter</b>		<b>16,762</b>	<b>9,918</b>	<b>69</b>	<b>4,529</b>	<b>2,416</b>	<b>87</b>
<b>Other comprehensive (loss) income</b>							
Translation (loss) gain arising on consolidation	11	(7,491)	4,227	NM	(1,387)	1,973	NM
Net fair value changes in available-for-sale investments	12	7,281	205	NM	-	708	NM
Revaluation surplus on transfer of property from Property, plant and equipment to Investment properties		-	2,111	NM	-	-	NM
Reclassification to profit or loss from equity upon disposal of available-for-sale investment	12	(14,978)	-	NM	-	-	NM
<b>Other comprehensive (loss) income for the year / quarter, net of tax</b>		<b>(15,188)</b>	<b>6,543</b>	<b>NM</b>	<b>(1,387)</b>	<b>2,681</b>	<b>NM</b>
<b>Total comprehensive income for the year / quarter</b>		<b>1,574</b>	<b>16,461</b>	<b>(90)</b>	<b>3,142</b>	<b>5,097</b>	<b>(38)</b>
<u>Total comprehensive income attributable to:</u>							
Equity holders of the Company		1,248	14,554	(91)	2,497	4,507	(45)
Non-controlling interests		326	1,907	(83)	645	590	9
		<b>1,574</b>	<b>16,461</b>	<b>(90)</b>	<b>3,142</b>	<b>5,097</b>	<b>(38)</b>

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:Note 1:

Turnover for the year declined by 15% to S\$309.3 million mainly due to the general slowdown in sales of consumer electronic products, in particular those of digital cameras. Sales in the latest quarter, however, improved over the previous corresponding quarter. Depressed consumer electronics margins in the second half of the year and the absence of a dividend that had been received in the previous year led to gross profit margin declining to 7.1% for the year.

Revenue for the year included investment income comprising dividends and interest income amounting to S\$2,384,000 (2011: S\$5,033,000)

Note 2:

Other operating income comprises:

	S\$'000		%	S\$'000		%
	Year ended			Three months ended		
	31 Dec 2012	31 Dec 2011		31 Dec 2012	31 Dec 2011	
VAT and business tax subsidy	181	164	10	1	12	(92)
Gain (loss) on disposal of property, plant and equipment	33	309	(89)	(11)	-	NM
Credit arising from severance of Indian relationship	425	-	NM	(2)	-	NM
Commission income	411	372	10	97	74	31
Miscellaneous	129	29	345	43	12	258
<b>Total</b>	<b>1,179</b>	<b>874</b>	<b>35</b>	<b>128</b>	<b>98</b>	<b>31</b>

- (i) VAT subsidy was received by a subsidiary in China.
- (ii) Miscellaneous income includes disposal of written down assets, servicing fee and certain debt recoveries.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

Note 3:

Distribution costs comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2012	31 Dec 2011		31 Dec 2012	31 Dec 2011	
Staff costs	(3,127)	(3,051)	2	(621)	(820)	(24)
Advertising & promotion	(158)	(357)	(56)	(68)	(89)	(24)
Transportation	(903)	(1,069)	(16)	(206)	(247)	(17)
Travelling expenses	(601)	(545)	10	(127)	(138)	(8)
Others	(820)	(780)	5	(228)	(240)	(5)
Total	(5,609)	(5,802)	(3)	(1,250)	(1,534)	(19)

- (i) Staff costs for the quarter decreased due to adjustments for bonus accruals.
- (ii) Advertising charges and transportation expenses reduced for the year due to the lower level of sales activity as a result of the business conditions in China.
- (iii) Travelling expenses were higher due to increased travel by sales personnel.

Note 4:

Administration expenses comprise:

	S\$'000		% Increase / (Decrease)	S\$'000		% Increase / (Decrease)
	Year ended			Three months ended		
	31 Dec 2012	31 Dec 2011		31 Dec 2012	31 Dec 2011	
Staff costs (including executive directors)	(12,943)	(10,804)	20	(3,183)	(3,055)	4
Directors' fees	(486)	(524)	(7)	(122)	(106)	15
Professional fees	(1,298)	(1,875)	(31)	(287)	(617)	(53)
Rent & rates	(701)	(738)	(5)	(202)	(206)	(2)
Travelling expenses	(349)	(502)	(30)	(94)	(180)	(48)
Insurance	(361)	(357)	1	(62)	(89)	(30)
Allowance for doubtful debts	(258)	(2,588)	(90)	(37)	(814)	(95)
Impairment in value of plant & equipment	-	(153)	NM	-	(153)	NM
Impairment loss for available-for-sale investment	(24)	(17)	41	1	(17)	NM
Withholding tax	(648)	(862)	(25)	(129)	(98)	32
Others	(1,896)	(2,008)	(6)	(518)	(413)	25
Total	(18,964)	(20,428)	(7)	(4,633)	(5,748)	(19)

- (i) Higher staff costs during the year include the salary and bonus of certain executive directors of the Investment Division who had joined part-way in the previous year, additional welfare accruals and medical costs as well as the effect of annual pay adjustments.
- (ii) Directors' fees in the previous year included an ex-gratia payment to Independent Directors approved by shareholders. Fees for the current year include adjustments in view of the change of role of a director.
- (iii) Professional fees declined across the Group.
- (iv) Travelling expenses declined due to less travel by executive directors and management personnel in the period.
- (v) Insurance costs in the latest quarter decreased due to reversal of certain accruals.
- (vi) Withholding tax for the latest quarter increased principally due to the tax on an intra-group dividend from a subsidiary in China.

Note 5:

Other operating expenses comprised depreciation charges for the relevant periods.

Note 6:

Higher property prices in Hong Kong and China resulted in an unrealized valuation gain on investment properties of S\$5.6 million and an unrealized valuation loss of S\$0.2 million on the completed houses in Australia.

## THAKRAL CORPORATION LTD AND SUBSIDIARIES

### Notes to the Consolidated Income Statement and Consolidated Statement of Comprehensive Income:

#### Note 7:

Finance income improved due to a higher level of longer-term deposits in the Group's subsidiaries in China and Hong Kong.

#### Note 8:

Finance costs increased mainly due to the trade finance and loans taken by the Group to finance its operations and investments by the Investment Division.

#### Note 9:

Foreign exchange translation gain / loss arose mainly from translation of monetary assets and liabilities, denominated in foreign currencies, outstanding as at the end of the year. Foreign exchange gain for the year included the transfer of translation loss from the translation reserve upon the deconsolidation of certain dormant subsidiaries due to disposal or cancellation of business license.

#### Note 10:

Group income tax for the current year declined due to lower taxable profits at the property development unit in the Wujiang and the Distribution units in China as well as adjustment of certain previously over-estimated tax charges.

#### Note 11:

These unrealized differences arose due to fluctuations in exchange rates of the foreign currencies in which the net assets of the Group's overseas operations are denominated.

#### Note 12:

The selling price received for the Group's investment in Thakral Holdings Group, Australia, during the year was higher than the Group's book value and, upon disposal, the entire mark-to-market reserve in relation to these shares was transferred to the Income Statement.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

1(b)(i) A statement of financial position (for the issuer and group), together with a comparative statement as at the end of the immediately preceding financial year

**STATEMENTS OF FINANCIAL POSITION**

	Note	Group ( S\$ '000) as at		Company ( S\$ '000) as at	
		31 Dec 2012	31 Dec 2011 (restated)	31 Dec 2012	31 Dec 2011
<b><u>ASSETS</u></b>					
<b>Current assets</b>					
Inventories	1	46,476	53,220	-	-
Loan receivable	2	4,759	-	-	-
Held-to-maturity financial asset	2	-	6,206	-	-
Trade receivables	3	30,731	29,863	-	-
Other receivables and prepayments		6,149	6,333	183	2,305
Cash and bank balances	4	30,565	38,339	315	483
<b>Total current assets</b>		<b>118,680</b>	<b>133,961</b>	<b>498</b>	<b>2,788</b>
<b>Non-current assets</b>					
Property, plant and equipment		6,038	6,453	12	19
Investment properties	2	63,124	12,930	-	-
Investment properties under development	2	18,680	13,367	-	-
Investments in subsidiaries		-	-	100,116	98,410
Loan receivable	2	901	2,433	-	-
Pledged fixed deposits	4	18,766	14,902	-	-
Available-for-sale investments	5	3,436	14,772	-	-
<b>Total non-current assets</b>		<b>110,945</b>	<b>64,857</b>	<b>100,128</b>	<b>98,429</b>
<b>Total assets</b>		<b>229,625</b>	<b>198,818</b>	<b>100,626</b>	<b>101,217</b>
<b><u>LIABILITIES AND EQUITY</u></b>					
<b>Current liabilities</b>					
Trade payables	6	8,120	17,355	-	-
Bills payables and trust receipts	6	10,533	7,482	-	-
Bank overdraft and loans	7	35,895	30,587	-	-
Other payables	8	12,492	14,549	547	402
Provisions	8	4,069	2,076	27	27
Income tax payable		676	1,506	-	-
<b>Total current liabilities</b>		<b>71,785</b>	<b>73,555</b>	<b>574</b>	<b>429</b>
<b>Non-current liabilities</b>					
Loans from financial institutions	2	44,685	7,145	-	-
Deferred tax liability		102	92	-	-
<b>Total non-current liabilities</b>		<b>44,787</b>	<b>7,237</b>	<b>-</b>	<b>-</b>
<b>Total liabilities</b>		<b>116,572</b>	<b>80,792</b>	<b>574</b>	<b>429</b>
<b>Capital and reserves and non-controlling interests</b>					
Issued capital		72,531	72,531	72,531	72,531
Reserves		35,965	39,941	27,521	28,257
Equity attributable to equity holders of the Company		108,496	112,472	100,052	100,788
Non-controlling interests		4,557	5,554	-	-
<b>Total equity</b>		<b>113,053</b>	<b>118,026</b>	<b>100,052</b>	<b>100,788</b>
<b>Total liabilities and equity</b>		<b>229,625</b>	<b>198,818</b>	<b>100,626</b>	<b>101,217</b>

Please also refer to Item 5 of the announcement for an explanation on the restatement of the 31 December 2011 statement of financial position.

THAKRAL CORPORATION LTD AND SUBSIDIARIES

**1(b)(ii) Aggregate amount of group's borrowings and debt securities**

Amount repayable in one year or less, or on demand

As at 31 December 2012		As at 31 December 2011	
Secured	Unsecured	Secured	Unsecured
S\$ 28,591,000	S\$ 17,837,000	S\$ 26,798,000	S\$ 11,271,000

Please also see notes (7 & 8) below

Details of any collateral

Charge over properties in Hong Kong; pledged bank deposits of S\$21.7 million; Company's corporate guarantee

Amount repayable after one year

As at 31 December 2012		As at 31 December 2011	
Secured	Unsecured	Secured	Unsecured
S\$ 44,685,000	NIL	S\$ 7,145,000	NIL

Please also see note (2) below

Details of any collateral

Charge over units in property development asset-holding unit trust

**1(c) A statement of cash flows (for the group), together with a comparative statement for the corresponding period of the immediately preceding financial year****CONSOLIDATED STATEMENT OF CASH FLOWS**

	( S\$ '000)		( S\$ '000)	
	Year ended		Three months ended	
	31 Dec 2012	31 Dec 2011	31 Dec 2012	31 Dec 2011
<b>OPERATING ACTIVITIES</b>				
Profit before income tax	17,206	12,087	4,491	3,379
Adjustments for:				
Depreciation expense	475	466	128	140
Dividend income and investment income	(2,384)	(5,033)	(1,321)	(959)
Interest expense	3,743	1,260	1,308	368
Interest income	(1,230)	(876)	(307)	(438)
Gain on disposal of property, plant and equipment	(33)	(309)	11	-
Gain on disposal of available-for-sale investments	(14,978)	-	-	-
Gain on disposal of subsidiaries	(99)	-	-	-
Valuation gain on investment properties	(5,424)	(474)	(5,617)	(474)
Net foreign exchange (gain) loss	(325)	423	(323)	527
Allowance for impairment in value of available-for-sale investments	24	17	-	17
Allowance for impairment in properties, plant and equipment	-	153	-	153
Allowance for inventories	1,445	806	1,299	82
Allowance for doubtful trade receivables	252	2,119	48	336
Allowance (reversal) for doubtful other receivables	6	469	(11)	478
<b>Operating cash flows before movements in working capital</b>	(1,322)	11,108	(294)	3,609
Trade receivables	(2,634)	(1,121)	4,054	1,871
Other receivables and prepayments	(734)	1,458	1,294	1,809
Inventories	2,821	(10,301)	(3,309)	(5,905)
Trade payables	(8,526)	9,872	985	1,201
Other payables and provisions	912	2,783	1,360	4,191
<b>Cash (used in) from operations</b>	(9,483)	13,799	4,090	6,776
Dividend income and investment income received	803	2,729	-	123
Income tax paid	(1,189)	(1,699)	(13)	(26)
Interest paid	(3,673)	(1,297)	(1,275)	(372)
Interest received	654	361	176	178
<b>Net cash (used in) from operating activities</b>	(12,888)	13,893	2,978	6,679
<b>INVESTING ACTIVITIES</b>				
Proceeds from disposal of property, plant and equipment	87	310	(11)	-
Proceeds from disposal of available-for-sale investment	21,140	4,480	21,140	4,480
Proceeds from disposal of held-to-maturity financial asset	6,377	-	-	-
Disposal of subsidiaries	(5)	-	-	-
Additions to property, plant and equipment	(620)	(645)	(67)	(84)
Additions to investment properties and investment properties under development	(51,489)	(13,288)	(21,024)	(13,288)
Additions to held-to-maturity financial asset	-	(5,310)	-	(239)
Additions to available-for-sale investment	(4,294)	-	(2,574)	-
Additions to loan receivable	(828)	(2,323)	-	(1,090)
<b>Net cash used in investing activities</b>	(29,632)	(16,776)	(2,536)	(10,221)
<b>FINANCING ACTIVITIES</b>				
Cash from non-controlling interests on establishment of a subsidiary	-	49	-	-
Dividends paid	(5,224)	(2,612)	(2,612)	-
Dividends paid to non-controlling shareholders of a subsidiary	(1,323)	-	(1,323)	-
Decrease (increase) in fixed deposits with maturities exceeding three months	7,884	(3,446)	545	452
(Increase) decrease in pledged bank deposits	(6,189)	(11,748)	14	(109)
Increase (decrease) in bills payable and trust receipts	3,461	(7,319)	2,377	(2,102)
Increase (decrease) in loans from financial institutions	37,851	7,066	16,612	7,066
Increase (decrease) in bank loans	5,208	23,965	(9,101)	316
<b>Net cash from financing activities</b>	41,668	5,955	6,512	5,623
<b>Net (decrease) increase in cash and cash equivalents</b>	(852)	3,072	6,954	2,081
Cash and cash equivalents at beginning of the year / quarter	29,066	24,027	20,092	26,498
Net effect of exchange rate changes in the balance of cash held in foreign currencies	(2,546)	1,967	(1,378)	487
<b>Cash and cash equivalents at end of the year / quarter</b>	25,668	29,066	25,668	29,066
Cash and cash equivalents were represented by:-				
Fixed deposits with maturities less than 3 months, cash and bank balances	27,317	29,066	27,317	29,066
Bank overdrafts	(1,649)	-	(1,649)	-
	25,668	29,066	25,668	29,066

## THAKRAL CORPORATION LTD AND SUBSIDIARIES

### Notes to the Statements of Financial Position and Consolidated Statement of Cash Flows:

#### Note 1:

Purchases were reduced in the latest quarter in view of the current situation in China. As a result, inventories reduced to S\$46.5 million as at 31 December 2012 from S\$53.2 million as at 31 December 2011.

#### Note 2:

The Group's Investment Division recouped its investment in the project classified as held-to-maturity financial asset during the year. A further project – shown as loan receivable – has been reclassified to current assets as the amount is expected to be recovered within the next 12 months, upon completion of the underlying project.

The Group consolidates the investment properties (under development as well as completed) and the relevant loan financing provided by the financial institutions for the two GLNG projects on its statement of financial position. The recourse of the financial institutions for the loans provided remains limited to the GLNG projects only. All completed properties are recorded as Investment properties and are being carried at an internal valuation.

The increase in the value of investment properties during the year includes the 45 units of the completed GLNG-1 project and the 17 completed units of the GLNG-2 project, both aggregating S\$45.4 million. The investment properties under development include 39 units of GLNG-2 project for S\$18.7 million.

Increased borrowings from the financial institutions this year are mainly as a result of the external funding for the second phase of the project.

#### Note 3:

Trade Receivables as at 31 December 2012 were generally in line with those as at 31 December 2011.

#### Note 4:

Cash and bank balances are comprised of:	31-Dec-12	31-Dec-11
Cash and cash equivalents	S\$27.3 million	S\$29.1 million
Fixed deposits with maturities exceeding three months	S\$0.3 million	S\$8.5 million
Fixed deposits that have been pledged to banks against Bills payables, trust receipts and bank overdrafts (see note 7 below)	S\$2.9 million	S\$0.7 million
Fixed deposits that have been pledged to banks as security for certain bank facilities	S\$18.8 million	S\$14.9 million
Total (including non-current pledged fixed deposits)	S\$49.3 million	S\$53.2 million

#### Note 5:

The Group's listed Australian equity available-for-sale investment was sold during a takeover offer for that entity. The Investment Division's contribution to The Quays real estate project in Australia is classified as an available-for-sale investment.

#### Note 6:

Trade Payables along with Bills and Trust Receipt loans payable reduced by a combined S\$6.2 million to S\$18.7 million as at 31 December 2012 from S\$24.8 million as at 31 December 2011. Bills payable and trust receipts relate to short-term trade financing for the purchase of goods provided by banks in Hong Kong for the Group's distribution business.

#### Note 7:

The increase in bank loans is due to additional borrowings at China including Hong Kong. Bank loans include an amount of S\$5.7 million which is a 10-year mortgage loan obtained against, inter alia, the security of certain properties in Hong Kong. The entire outstanding amount of the term loan is expected to be repaid in full by the year 2020 but it has been classified as a current liability in view of accounting rules that require such classification for term loans that are subject to a 'repayment on demand' clause (which provide the lender with a right to demand repayment at any time at its discretion).

#### Note 8:

Other payables reduced to S\$12.5 million as at 31 December 2012 from S\$14.5 million as at 31 December 2011 due to settlements made. Provisions rose to S\$4.1 million as at 31 December 2012 as compared to S\$2.1 million as at 31 December 2011 primarily due to accruals of retirement benefits.



**1(d)(i) A statement (for the issuer and group) showing either (i) all changes in equity or (ii) changes in equity other than those arising from capitalisation issues and distributions to shareholders, together with a comparative statement for the corresponding period of the immediately preceding financial year**

**STATEMENT OF CHANGES IN EQUITY**

Year ended 31 December 2012

S\$'000

**Group****Balance at 1 Jan 2012**

Effect of adoption of Amendments to FRS 12

**Balance at 1 Jan 2012, restated**

Total comprehensive income (loss) for the quarter

Dividends

**Balance at 31 Mar 2012**

Total comprehensive income (loss) for the quarter

**Balance at 30 Jun 2012**

Total comprehensive income (loss) for the quarter

**Balance at 30 Sep 2012**

Total comprehensive income (loss) for the quarter

Dividends

Dividends paid to non-controlling shareholders

**Balance at 31 Dec 2012**

	Issued capital	Asset revaluation reserve	Fair value adjustment reserve	Options reserve	Translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
Balance at 1 Jan 2012	72,531	2,911	7,697	759	(16,911)	44,939	111,926	5,554	117,480
Effect of adoption of Amendments to FRS 12	-	-	-	-	(42)	588	546	-	546
Balance at 1 Jan 2012, restated	72,531	2,911	7,697	759	(16,953)	45,527	112,472	5,554	118,026
Total comprehensive income (loss) for the quarter	-	(84)	(348)	-	(4,130)	1,468	(3,094)	(136)	(3,230)
Dividends	-	-	-	-	-	(2,612)	(2,612)	-	(2,612)
Balance at 31 Mar 2012	72,531	2,827	7,349	759	(21,083)	44,383	106,766	5,418	112,184
Total comprehensive income (loss) for the quarter	-	25	6,283	-	348	(1,941)	4,715	(160)	4,555
Balance at 30 Jun 2012	72,531	2,852	13,632	759	(20,735)	42,442	111,481	5,258	116,739
Total comprehensive income (loss) for the quarter	-	(91)	(13,632)	-	(1,912)	12,765	(2,870)	(23)	(2,893)
Balance at 30 Sep 2012	72,531	2,761	-	759	(22,647)	55,207	108,611	5,235	113,846
Total comprehensive income (loss) for the quarter	-	(10)	-	-	(1,385)	3,892	2,497	645	3,142
Dividends	-	-	-	-	-	(2,612)	(2,612)	-	(2,612)
Dividends paid to non-controlling shareholders	-	-	-	-	-	-	-	(1,323)	(1,323)
Balance at 31 Dec 2012	72,531	2,751	-	759	(24,032)	56,487	108,496	4,557	113,053

Year ended 31 December 2011

S\$'000

**Group****Balance at 1 Jan 2011**

Effect of adoption of Amendments to FRS 12

**Balance at 1 Jan 2011, restated**

Total comprehensive income (loss) for the quarter

**Balance at 31 Mar 2011**

Total comprehensive income (loss) for the quarter

Dividends

**Balance at 30 Jun 2011**

Total comprehensive income (loss) for the quarter

Non-controlling interests arising on establishment of a subsidiary

**Balance at 30 Sep 2011**

Total comprehensive income (loss) for the quarter

**Balance at 31 Dec 2011**

	Issued capital	Asset revaluation reserve	Fair value adjustment reserve	Options reserve	Translation reserve	Retained earnings	Attributable to equity holders of the Company	Non-controlling interests	Total
Balance at 1 Jan 2011	72,531	625	7,492	759	(20,703)	39,280	99,984	3,598	103,582
Effect of adoption of Amendments to FRS 12	-	-	-	-	(48)	588	540	-	540
Balance at 1 Jan 2011, restated	72,531	625	7,492	759	(20,751)	39,868	100,524	3,598	104,122
Total comprehensive income (loss) for the quarter	-	(10)	(906)	-	(1,826)	2,030	(712)	483	(229)
Balance at 31 Mar 2011	72,531	615	6,586	759	(22,577)	41,898	99,812	4,081	103,893
Total comprehensive income (loss) for the quarter	-	(16)	1,379	-	(1,887)	1,502	978	194	1,172
Dividends	-	-	-	-	-	(2,612)	(2,612)	-	(2,612)
Balance at 30 Jun 2011	72,531	599	7,965	759	(24,464)	40,788	98,178	4,275	102,453
Total comprehensive income (loss) for the quarter	-	2,319	(976)	-	5,579	2,859	9,781	640	10,421
Non-controlling interests arising on establishment of a subsidiary	-	-	-	-	-	-	-	49	49
Balance at 30 Sep 2011	72,531	2,918	6,989	759	(18,885)	43,647	107,959	4,964	112,923
Total comprehensive income (loss) for the quarter	-	(7)	708	-	1,932	1,880	4,513	590	5,103
Balance at 31 Dec 2011	72,531	2,911	7,697	759	(16,953)	45,527	112,472	5,554	118,026

**Year ended 31 December 2012**

S\$'000

**Company****Balance as at 1 Jan 2012**

Total comprehensive income for the quarter

Dividends

**Balance as at 31 Mar 2012**

Total comprehensive loss for the quarter

**Balance as at 30 Jun 2012**

Total comprehensive loss for the quarter

**Balance as at 30 Sep 2012**

Total comprehensive income for the quarter

Dividends

**Balance as at 31 Dec 2012**

Issued capital	Options reserve	Retained earnings	Total
72,531	759	27,498	100,788
-	-	2,110	2,110
-	-	(2,612)	(2,612)
72,531	759	26,996	100,286
-	-	(230)	(230)
72,531	759	26,766	100,056
-	-	(1,713)	(1,713)
72,531	759	25,053	98,343
-	-	4,321	4,321
-	-	(2,612)	(2,612)
72,531	759	26,762	100,052

**Year ended 31 December 2011**

S\$'000

**Company****Balance as at 1 Jan 2011**

Total comprehensive loss for the quarter

**Balance as at 31 Mar 2011**

Total comprehensive income for the quarter

Dividends

**Balance as at 30 Jun 2011**

Total comprehensive loss for the quarter

**Balance as at 30 Sep 2011**

Total comprehensive income for the quarter

**Balance as at 31 Dec 2011**

Issued capital	Options reserve	Retained earnings	Total
72,531	759	25,895	99,185
-	-	(1,634)	(1,634)
72,531	759	24,261	97,551
-	-	181	181
-	-	(2,612)	(2,612)
72,531	759	21,830	95,120
-	-	(1,632)	(1,632)
72,531	759	20,198	93,488
-	-	7,300	7,300
72,531	759	27,498	100,788

**1(d)(ii) Details of any changes in the company's share capital arising from rights issue, bonus issue, share buy-backs, exercise of share options or warrants, conversion of other issues of equity securities, issue of shares for cash or as consideration for acquisition or for any other purpose since the end of the previous period reported on. State also the number of shares that may be issued on conversion of all the outstanding convertibles, as well as the number of shares held as treasury shares, if any, against the total number of issued shares excluding treasury shares of the issuer, as at the end of the current financial period reported on and as at the end of the corresponding period of the immediately preceding financial year.**

Since the beginning of the year, a total of 1,580,000 and 772,500 share options expired and lapsed during the year under the Thakral Corporation Employees' Share Options Scheme 2001.

The number of shares that may be issued on exercise of all the outstanding options under the 2001 Scheme is as follows:-

	As at 31 Dec 2012	As at 31 Dec 2011
Outstanding options	19,392,500	21,745,000

There was no change in the share capital of the Company during the year.

The Company did not have any treasury shares as at 31 December 2012 and 31 December 2011.

**1(d)(iii) To show the total number of issued shares excluding treasury shares as at the end of the current financial period and as at the end of the immediately preceding year.**

The total number of issued shares was 2,612,413,668 as at 31 December 2012 and 31 December 2011.

**1(d)(iv) A statement showing all sales, transfers, disposal, cancellation and/or use of treasury shares as at the end of the current financial period reported on.**

Not applicable.

**2. Whether the figures have been audited or reviewed and in accordance with which auditing standard or practice**

These figures have not been audited or reviewed.

**3. Where the figures have been audited or reviewed, the auditors' report (including any qualifications or emphasis of matter)**

Not applicable.

**4. Whether the same accounting policies and methods of computation as in the issuer's most recently audited annual financial statements have been applied**

Except as disclosed in item 5 below, the Group has applied the same accounting policies and methods of computation in the financial statements for the current financial year as those of the audited financial statements for the year ended 31 December 2011.

**5. If there are any changes in the accounting policies and methods of computation, including any required by an accounting standard, what has changed, as well as the reasons for, and the effect of, the change**

In the current year, the Group has adopted all the new and revised Singapore Financial Reporting Standards ("FRS") and Interpretations of FRS that are relevant to its operations and effective for annual periods beginning on or after 1 January 2012. The Group was mainly affected by Amendments to FRS 12 *Income Taxes – Deferred Taxes: Recovery of Underlying Assets*.

In previous years, the Group measured deferred tax liabilities arising from the investment properties, using the fair value model, to reflect the tax consequences that would follow the manner in which the Group expected to recover the carrying amount. These FRS amendments introduce a rebuttable presumption that the carrying amount of the investment property will be recovered entirely through sale. The effect of the application of the amended FRS is a decrease in deferred tax liability as of 31 December 2011 by S\$546,000 and an increase in retained earnings by S\$588,000. The statement of financial position and statement of changes in equity as at 31 December 2011 have accordingly been restated following the adoption of the revised FRS.

**6. Earnings per ordinary share of the group for the current period reported on and the corresponding period of the immediately preceding financial year, after deducting any provision for preference dividends**

	Year ended 31 Dec 2012	Year ended 31 Dec 2011
(i) Basic earnings per share	0.62 cent	0.32 cent
(ii) Fully diluted earnings per share	0.62 cent	0.32 cent

  

	Three months ended 31 Dec 2012	Three months ended 31 Dec 2011
(i) Basic earnings per share	0.15 cent	0.07 cent
(ii) Fully diluted earnings per share	0.15 cent	0.07 cent

Basic earnings per share are computed on the profit for the periods after taxation and deduction of non-controlling interests divided by 2,612,413,668 being the weighted average number of shares in issue during the year and quarter ended 31 December 2012 and 31 December 2011. The diluted earnings per share for the year ended 31 December 2012 are computed on the profit for the year after taxation and deduction of non-controlling interests divided by 2,615,753,538 (3 months ended 31 December 2012: 2,615,747,002) with 3,339,870 (3 months ended 31 December 2012: 3,333,334) shares being the dilutive effect of potentially exercisable options outstanding as at the end of the year.

**7. Net asset value (for the issuer and group) per ordinary share based on issued shares excluding treasury shares of the issuer at the end of the (a) current period reported on and (b) immediately preceding financial year**

**Net Asset Value**

	As at 31 Dec 2012	As at 31 Dec 2011 (restated)
Group	4.15 cents	4.31 cents
Company	3.83 cents	3.86 cents

Note: The NAV per share as of 31 Dec 2011 has been restated from 4.28 cents to 4.31 cents as a result of the increase in retained earnings on adoption of the Amendments to FRS 12 as explained in item 5 above.

**8. A review of the performance of the group, to the extent necessary for a reasonable understanding of the group's business. The review must discuss any significant factors that affected the turnover, costs, and earnings of the group for the current financial period reported on, including (where applicable) seasonal or cyclical factors.**

**It must also discuss any material factors that affected the cash flow, working capital, assets or liabilities of the group during the current financial period reported on.**

**Review – Year ended 31 December 2012**

Turnover & Profitability

During 2012, the Group was seriously affected by the general slowdown in consumer demand for electronic products in its principal and export markets as well as the negative consumer sentiment towards Japanese brands. Camera-equipped smartphones replaced low-end digital cameras, impacting a key product sale category of the Group. Sales at the Wujiang Dafa property unit this year were negligible in comparison with last year. Consequently, Group turnover for the financial year ended 31 December 2012 ("FY2012") declined by 15% to S\$309.3 million, as compared to S\$363.7 million achieved in the previous year. To overcome the decline, the Group is actively looking for distributorships to widen its product and brand lines. Some of these initiatives have shown initial breakthrough, with turnover at the Hong Kong subsidiary increasing by over 60% in the latest quarter compared to the preceding quarter. Group turnover for the latest quarter therefore showed an improvement over the previous corresponding quarter. However, margins from this new business were low with the Group seeking to establish its foothold in these products.

## THAKRAL CORPORATION LTD AND SUBSIDIARIES

Group gross profit for FY2012 at S\$22.1 million recorded a decline of 43% from the gross profit of S\$38.4 million achieved in the previous year. The impact during the quarter remained severe with gross profit declining by 52% to S\$4.9 million as against S\$10.2 million achieved in the previous corresponding quarter. Gross profit in the previous year had included a dividend of S\$2.7 million from the investment in Australian listed shares, which was not received this year. As a consequence of the lower margins during the second half of the year in the Consumer Electronics business, negligible sales in the Wujiang Dafa property unit and the absence of the dividend from the Australian investment, gross profit margin declined to 7.1% for the year as compared to 10.6% for the previous year. However, the gross profit from the Investments Division continued to be satisfactory.

Other income rose to S\$1.2 million in the current year from S\$0.9 million in the previous year. The increase was mainly due to the credit from the severance of a business relationship earlier in the year.

The rising commercial and industrial property prices in Hong Kong led to the Group seeing a net unrealized valuation gain of S\$5.4 million on its investment properties in Hong Kong, China and Australia in the current year, compared to S\$0.5 million in the previous financial year.

Finance income rose to S\$1.2 million in the current year as compared to S\$0.9 million in the previous year as a result of increase in fixed deposits in the property and investment divisions.

Finance costs increased to S\$3.7 million in the year from S\$1.3 million in the prior year as a result of higher borrowings mainly to finance increased investments in real estate in Australia by the Investments Division.

Foreign exchange translation gain of S\$1.1 million for the current year, compared to a loss of S\$0.6 million in the previous financial year, was primarily as a result of the strengthening of the US Dollar against the Japanese Yen compared at the respective balance sheet dates.

As announced previously, the Group had disposed of its Australian listed equity investment in a takeover offer for that company, realizing a gain of S\$15.0 million. The proceeds will primarily be used to finance investments by the Group's Investments Division.

The gain on disposal of the Australian investment as well as the unrealized valuation gain on investment properties enabled the Group to report a net profit attributable to shareholders for FY2012 of S\$16.2 million, as compared to S\$8.3 million in the previous year. An interim dividend of 0.1 cent per share was paid to shareholders on 30 November 2012 for the year. The Board has declared a second interim dividend of 0.1 cent per share in respect of FY2012, bringing the total payout for the year to 0.2 cent per share.

### Expenses

Distribution expenses declined by 3% to \$5.6 million for the year as compared to S\$5.8 million in the previous year.

Administration expenses, excluding allowances and impairments, were about 6% higher for the year at S\$18.7 million, as compared to S\$17.7 million incurred in the previous year. Staff costs during the year and the latest quarter increased 20% and 4% respectively mainly owing to the team at the Investments Division being in place for only a part of the previous year and the bonus paid to the Investments Division team this year.

Income tax expense declined by 80% to S\$0.4 million for the year as compared to S\$2.2 million in the previous year due to the lower taxable profits at the Wujiang and the Distribution units in China as well as the adjustment of certain previously over-estimated tax charges.

### Working Capital and Cash Flow

Inventories reduced to S\$46.5 million as at 31 December 2012 compared to S\$53.2 million as at 31 December 2011 as a result of lower purchases during the latest quarter in view of the uncertain business conditions in China. Trade Receivables of S\$30.7 million as at 31 December 2012 were generally in line with S\$29.9 million as at 31 December 2011.

Trade Payables along with Bills and Trust Receipt loans payable reduced by a combined S\$6.2 million to S\$18.7 million as at 31 December 2012 from S\$24.8 million as at 31 December 2011.

Bank borrowings increased to S\$35.9 million as at 31 December 2012 from S\$30.6 million as at 31 December 2011 due to increased borrowing for the Investment Division.

## THAKRAL CORPORATION LTD AND SUBSIDIARIES

Other payables reduced to S\$12.5 million as at 31 December 2012 from S\$14.5 million as at 31 December 2011 while Provisions rose to S\$4.1 Million as at 31 December 2012 as compared to S\$2.1 million as at 31 December 2011 primarily due to accruals of retirement benefits.

Overall operational cash outflow of S\$12.9 million was a reversal from the inflow of S\$13.9 million in the previous year. The reversal in cash flows in comparison to the previous year was mainly on account of the significant operational profit flows in the previous year and the settlement of trade payables in the current year.

### Net Asset Value

Net Asset Value per share as at 31 December 2012 was 4.15 cents as compared to the restated 4.31 cents as at 31 December 2011. The valuation increases arising from the disposal of the Australian shares and the Group's investment properties were more than offset by the translation losses on the foreign currency net assets of the Group's overseas operations, two interim dividends paid to shareholders and the net attributable losses from the Distribution Division, thus bringing down the overall net asset value of the Group.

### **Performance Summary**

#### Distribution

The Distribution business was the most affected by the reduction in consumer demand for the Group's products. Turnover declined to S\$301.5 million for the year, as compared to S\$350.7 million in the previous year. Pressure on margins saw the division deliver a segmental loss of S\$0.8 million as compared to a segment profit of S\$8.7 million in the previous year. The loss of S\$2.6m for the latest quarter was primarily a result of the low margins earned in the quarter.

#### Investments Division

Turnover at this Division declined to S\$7.8 million for the current year as compared to S\$10.3 million in the previous year mainly due to sales at the Wujiang Dafa property unit this year being negligible in comparison with last year. While the contribution from the real estate business in Australia to this division increased over the previous financial year, this was insufficient to offset the decline at Wujiang. Segmental result of S\$3.9 million was consequently lower than the S\$6.0 million achieved in the previous year.

The Division completed and delivered the 45 houses in Gladstone, Australia, under its first development project for GLNG and had been awarded the contract to provide a further 56 houses in the second phase of the project to GLNG. Construction of these houses is progressing on time and within budget. Of these, 17 houses were delivered to GLNG during the last quarter of 2012 and the rest are scheduled to be delivered in stages with all houses expected to be completed and delivered in the first half of 2013.

The Division also invested in 3 new real estate development projects in Australia during the year by way of mezzanine and preferred equity. These included a project for the development of over 600 residential apartments in two towers in New Quay at Docklands in Melbourne – this has already achieved pre-sales of over 90%. Two other smaller early-stage projects are for the development of a total of 100 apartments in Highgate Hill and West End in Brisbane. These projects are expected to provide the targeted returns set by the Group on capital invested in such projects.

### **9. Where a forecast, or a prospect statement, has been previously disclosed to shareholders, any variance between it and the actual results**

While the Group had anticipated challenging market conditions in view of the general slowdown in China, the lack of consumer support for Japanese brands during the year was unforeseen.

**10. A commentary at the date of the announcement of the significant trends and competitive conditions of the industry in which the group operates and any known factors or events that may affect the group in the next reporting period and the next 12 months.**

Steps are being taken to introduce new products and brands to replace the decline in demand for low-end digital cameras.

The Investments Division business model is aimed at achieving strong returns on capital invested. It expects that the margins on its investments are capable of being achieved.

**11. Dividend**

**(a) Current Financial Period Reported On**

Any dividend declared for the current financial period reported on? Yes, second interim dividend of 0.1 cent per share (yield of 5.1% on price of 3.9 cents per share)

**(b) Corresponding Period of the Immediately Preceding Financial Year**

Any dividend declared for the corresponding period of the immediately preceding financial year?  
For the previous financial year, the Company had paid an interim dividend of 0.1 cent per share (on 2 June 2011) and a second interim dividend of 0.1 cent per share (on 30 March 2012) to shareholders.

**(c) Date payable**

15 April 2013

**(d) Books closure date**

1 April 2013

**12. If no dividend has been declared/recommended, a statement to that effect**

N.A.

13. If the Group has obtained a general mandate from shareholders for IPTs, the aggregate value of such transactions as required under Rule 920(1)(a)(ii). If no IPT mandate has been obtained, a statement to that effect

Name of interested person	Aggregate value of all interested person transactions during the year ended 31 December 2012 (excluding transactions less than S\$100,000 and transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual)	Aggregate value of all interested person transactions conducted under shareholders' mandate pursuant to Rule 920 of the Listing Manual (excluding transactions less than S\$100,000)
Thakral Brothers Pte Ltd and subsidiaries	S\$'000	S\$'000
Sales, net of return	-	930
Purchases, net of returns	-	1,167
Operating lease charges paid / payable	168	-



**PART II - ADDITIONAL INFORMATION REQUIRED FOR FULL YEAR ANNOUNCEMENT****(This part is not applicable to Q1, Q2, Q3 or Half Year Results)****14. Segmented revenue and results for business or geographical segments (of the group) in the form presented in the issuer's most recently audited annual financial statements, with comparative information for the immediately preceding year**

The Group which operates in two geographical segments being the People's Republic of China (including Hong Kong) and others (Japan, Singapore and Australia), has 3 main core divisional activities as follows:

- a) Distribution ("DIST")
- b) Investment ("INV") - includes property investments in China / Hong Kong and real estate investments in Australia
- c) Others ("OTH") - those activities which do not fall into the above categories

**Group's reportable segments****S\$'000****Year ended 31 December 2012**

	DIST	INV	OTH	TOTAL
<b>Revenue</b>				
External sales	301,499	7,759	-	309,258
<b>Result</b>				
Segment result	(842)	3,890	(2,559)	489
Unallocated corporate expenses				(2,298)
Gain on disposal of available-for-sale investments				14,978
Gain on disposal of subsidiaries				99
Valuation gain on investment properties				5,424
Finance income				1,230
Finance costs				(3,743)
Foreign exchange gain				1,027
Profit before income tax				17,206
Income tax expense				(444)
Profit for the year				16,762
<b>Other information</b>				
Capital expenditure:				
Property, plant and equipment	579	39	2	620
Depreciation expense	353	112	10	475
<b>Assets</b>				
Segment assets	109,055	120,058	512	229,625
<b>Total assets</b>				229,625
<b>Liabilities</b>				
Segment liabilities	57,666	57,558	570	115,794
Income tax payable				676
Deferred tax liability				102
<b>Total liabilities</b>				116,572

THAKRAL CORPORATION LTD AND SUBSIDIARIES

S\$'000

Year ended 31 December 2011

	DIST	INV	OTH	TOTAL
<b>Revenue</b>				
External sales	350,723	10,307	2,688	363,718
<b>Result</b>				
Segment result	8,662	5,969	253	14,884
Unallocated corporate expenses				(2,283)
Valuation gain on investment properties				474
Finance income				876
Finance costs				(1,260)
Foreign exchange loss				(604)
Profit before income tax				12,087
Income tax expense				(2,169)
Profit for the year				9,918

<b>Other information</b>				
Capital expenditure:				
Property, plant and equipment	629	15	1	645
Depreciation expense	380	76	10	466

<b>Assets</b>				
Segment assets	115,151	68,371	15,296	198,818
<b>Total assets</b>				198,818
<b>Liabilities</b>				
Segment liabilities	51,622	27,160	412	79,194
Income tax payable				1,506
Deferred tax liability (restated - please refer to item 5)				92
<b>Total liabilities (restated - please refer to item 5)</b>				80,792

**Geographical information**

S\$'000

Geographical segments:	Revenue		Capital expenditure		Non-current assets *	
	31 Dec		31 Dec		31 Dec	
	2012	2011	2012	2011	2012	2011
People's Republic of China (including Hong Kong)	297,457	355,312	401	546	22,221	17,755
Others	11,801	8,406	219	99	65,621	14,995
	309,258	363,718	620	645	87,842	32,750

The basis of the information stated under the geographical segment above is the aggregate of the relevant figures from companies incorporated in those countries.

\* Non-current assets other than financial instruments

**15. In the review of performance, the factors leading to any material changes in contributions to turnover and earnings by the business or geographical segments**

See item 8 on review of performance

**16. A breakdown of revenue**

	S\$'000		%
	Year ended 31 Dec 2012	Year ended 31 Dec 2011	Increase / (Decrease)
a) Revenue reported for first half year	151,012	191,095	(21)
b) Net (loss) profit after tax before deducting non-controlling interests reported for first half year	(623)	4,297	NM
c) Revenue reported for second half year	158,246	172,623	(8)
d) Net profit after tax before deducting non-controlling interests reported for second half year	17,385	5,621	209

**17. A breakdown of the total annual dividend (in dollar value) for the issuer's latest full year and its previous full year**

	Year ended 31 Dec 2012 S\$'000	Year ended 31 Dec 2011 S\$'000
Ordinary shares (tax-exempt one-tier)		
- Interim (FY2012: paid on 30 November 2012; FY2011: paid on 2 June 2011)	2,612	2,612
- Second Interim (FY2012: payable; FY2011: paid on 30 March 2012)	2,612	2,612
Total	5,224	5,224

**18. Disclosure of person occupying a managerial position in the issuer of any of its principal subsidiaries who is a relative of a director or chief executive officer or substantial shareholder of the issuer pursuant to Rule 704 (13) in the format below. If there are no such persons, the issuer must make an appropriate negative statement**

Name	Age	Family relationship with any director and / or substantial shareholder	Current position and duties, and the year the position was held	Details of changes in duties and position held, if any, during the year
Kuldip Singh Thakral	83	Brother and father of the Company's Directors, Mr. Kartar Singh Thakral and Mr. Jasvinder Singh Thakral respectively	Chairman of Thakral Brothers Limited, Osaka – General strategic management since the incorporation of Thakral Brothers Limited Osaka in 1972	No change

ON BEHALF OF THE BOARD

Kartar Singh Thakral  
Director

Inderbethal Singh Thakral  
Director  
25 Feb 2013

BY ORDER OF THE BOARD

Tan Ping Ping  
Chan Lai Yin  
Company Secretaries  
25 Feb 2013